

MINUTES OF OCFEC BOARD OF DIRECTORS MEETING HELD DECEMBER 17, 2020

The following Minutes are a summary of Board action and proceedings. For a full transcript please click on the link below or visit the ocfair.com website.

https://s3.us-west-1.amazonaws.com/ocfair.com/wp-content/uploads/2020/12/07113502/20_12_December_Board_Transcript.pdf

1. CALL TO ORDER:

Vice Chair La Belle called the meeting to order at 9:00 a.m.

2. MISSION STATEMENT

3. PLEDGE OF ALLEGIANCE:

The Pledge of Allegiance was recited by Ken Karns. Roll call was taken by Summer Angus.

4. DIRECTORS PRESENT (via Zoom):

Vice Chair La Belle, Director Cervantes, Director Ruiz, Director Bagneris, Director Aitken, Director Pham and Director Kovacevich.

DIRECTORS ABSENT/EXCUSED: Chair Rubalcava-Garcia.

OTHERS PRESENT:

(Via Zoom): Michele Richards, OCFEC CEO; Ken Karns, OCFEC Chief Operating Officer; Joan Hamill, OCFEC Chief Business Development Officer; Jason Jacobsen, OCFEC Director of Planning & Presentation; Terry Moore, OCFEC Director of Communications; Jerry Eldridge, OCFEC Director of Facilities; Summer Angus, OCFEC Executive Assistant; Evelyn Hernandez, OCFEC; Josh Caplan, Office of the Attorney General; Patricia Garrido, transcriptionist; Cindy Massaro; Kellie Avakian; Todd Martin; Reggie Mundekis; Lisa Sabo; Theresa Sears

5. CLOSED SESSION:

The meeting adjourned to closed session at 9:02 a.m. and reconvened at 9:25 a.m.

Matters to report out of closed session: None.

6. CEO'S OPERATIONAL UPDATE

Michele Richards, OCFEC CEO, reported the following:

- 15 students from Stanbridge University's Vet Tech program to perform health exams on the berm goats and donkeys
- OCFEC's equestrian center was activated by OC Animal Care as a large animal emergency evacuation center during the recent Bond Fire - 21 horses housed during the emergency
- OC Fair won the OC Register's People's Choice Award for the best fair/festival, Parenting OC magazine's Reader's Choice Award for 2020 and voted the BEST fair/festival by the readers of the LA Times/OC
- OC Fair nominated for WFA's Merrill Award for its Community Outreach Program

- The CDFA announced it was seeking applications from employees interested “in the vital work of increasing diversity, equity, equality, inclusion, and parity within the Department.”
 - OCFEC’s Thane Hollman, Guest Experience Supervisor, and Esther Dusi, Finance Director, applied and were selected
 - Their service at the State level will help support the work of the Community Affairs Committee

Richards presented the November 2020 financial statements.

Joan Hamill, OCFEC Chief Business Development Officer, gave an update on current and upcoming events.

7. MINUTES:

A. Board meeting held November 19, 2020

Action Item

ACTION: Director Cervantes motioned and Director Ruiz seconded to approve the minutes from the Board meeting held November 19, 2020. **MOTION CARRIED. AYES: Vice Chair La Belle, Director Cervantes, Director Ruiz, Director Bagneris, Director Aitken, Director Pham and Director Kovacevich. NAYES: None. ABSTENTIONS: None.**

8. MATTERS OF PUBLIC COMMENT

Cindy Massaro thanked OCFEC for adjusting and working events in different ways to try and make the fairgrounds useful during the COVID shutdown. She summarized that the fairgrounds flies the United States, California State and OCFEC flags on the property and that a year ago, the Board voted to also fly the LGBTQ Pride flag year round - to make people that flag represents feel included and welcome. She argued that other groups would like to be recognized and feel included and welcomed by having their flags flown. She argued that it is not fair, welcoming or inclusive if only one special interest flag is flown. She commended the Community Affairs Committee for planning to take up the flag issue but criticized it, questioning how long it would take, given no prior action by the previous Diversity Committee. She urged the Board to agendaize and resolve to remove the special interest flag until the Community Affairs Committee acts and an equitable resolution to fly other groups’ flags.

Kellie Avakian agreed with the previous speaker. She criticized that she and others have been discussing the issue during public comment and no action has been taken. She argued that she’d like to see other flags flown on the property that represent different groups and activities on the fairground and gave examples of 4-H, FFA and the United States

Equestrian Federation, amongst others. She urged the Board to agendize a resolution and address the issue.

Todd Martin echoed the two previous speaker's sentiments. He added he is frustrated that the flag issue has not been addressed and does not feel included in the flags flown. He stated there are a number of different organizations and many religious organizations in the city that would love to fly a flag they are passionate about. He urged the Board to agendize a discussion for next month's meeting.

Lisa Sabo, President Orange County Preservation Society, read a letter from the Society, stating:

- The Society's goal to the open sharing of ideas with OCFEC staff, stakeholders and the Orange County community
- The shared passion for the property as a public treasure
- The Society's gratitude for ongoing commitment to transparency and public participation
- Commended OCFEC Board and staff for collaborative efforts in working together to enhance the community center for all

She also discussed the canyon fires and some issues with getting OCFEC gates opened (in the middle of the night) and getting evacuated animals onto the property.

9. CONSENT CALENDAR: (Policy 4.3.4)

A. Standard Agreements (New): ~~SA-006-21SM~~

i. Standard Agreement Amendments: R1870031

B. Rental Agreements: R-008-21; R-009-21; R-014-21; ~~R-125-20~~

i. Rental Agreement Amendments: R-121-20 (Amend. #1)

C. Active Joint Powers Authority Agreements (New): None.

A. Correspondence:

Communications to the Board from members of public related to OCFEC business are identified below and included with the Board materials (available on the OCFEC website). Note that this agenda item includes only those communication(s) that were sent to the entire Board and CEO before the publication of this month's agenda. *The deadline for correspondence to be included on the October agenda is October 9, 2020.*

i. 11/18/2020: Reggie Mundekis – November 2020 Board Meeting Agenda Item Comments

B. CDFA Correspondence:

Communications to the Board from the California Department of Food & Agriculture Division of Fairs & Expositions regarding relevant topics at Fairs and Expositions.

- i. None

-End of Consent Calendar-

CEO Richards noted staff has pulled agreements SA-006-21SM (sound monitoring and mitigation) due to a protest to the RFP award and agreement R-125-20 (campground rental) due to recent the executive order prohibiting camping. Both items to be brought back to the Board at the January meeting.

ACTION: Director Cervantes motioned and Director Aitken seconded to review and approve the Consent Calendar. **MOTION CARRIED.**
AYES: Vice Chair La Belle, Director Cervantes, Director Ruiz, Director Bagneris, Director Aitken, Director Pham and Director Kovacevich. **NAYES:** None. **ABSTENTIONS:** None.

10. GOVERNANCE PROCESS:

A. Committee / Ad Hoc Committee / Liaison Reports

Information Item

To assure compliance with the Bagley-Keene Act, Committee reports are only for the purpose of the Committee chair, Ad Hoc Committee members or Liaison to provide a verbal update. Should the Board want to discuss any Committee work item not already on the agenda; those would need to be agendaized for a future Board meeting.

- i. Leadership Committee (Chair Rubalcava-Garcia, Committee Chair; Vice Chair La Belle)
- ii. Financial Monitoring and Audit Committee (Director Pham, Committee Chair; Director Bagneris)
- iii. Facilities Committee (Director Aitken, Committee Chair; Director Ruiz)
- iv. Governance Committee (Director Cervantes, Committee Chair; Chair Rubalcava-Garcia)
- v. Community Affairs Committee (Director Kovacevich, Committee Chair; Director Ruiz)
- vi. Centennial Farm Foundation Liaison (Director Cervantes)
- vii. Heroes Hall Veterans Foundation Liaison (Vice Chair La Belle, Director Cervantes)

Vice Chair La Belle on behalf of the Leadership Committee, reported:

- The committee and CEO Richards met (via Zoom) with the Equestrian Center (EQC) Operator, Rick Hansen to be updated on what is occurring at the EQC

- He asserted the EQC is an important part of the property and the committee is looking towards expanding its outreach to the community
 - Looking at how to incorporate the EQC into Imaginology and the annual fair, getting more community involvement
 - Moving forward with an EQC model study for options for the Board to consider – Doug Lofstrom to conduct model study
 - Committee to engage with Rick Hansen and other stakeholders to bring back policy direction options to the Board for consideration

Director Pham, on behalf of the Financial Monitoring and Audit Committee, reported:

- The committee reviewed the financials with staff last week
 - Tracking to budget and has improved slightly
 - \$1.8M improvement from original year-end budget reforecast from last May
 - Projecting a \$40.8M cash balance by year-end
- The committee reviewed the 2019 draft audit
 - Overall results are positive
 - Auditors recommended a MDNA, management discussion analysis report
 - The committee recommended to incorporate the MDNA into the audit process for the current year and on a go-forward basis

Director Ruiz, on behalf of the Facilities Committee, reported:

- The committee met last week and discussed state contracting policy codes for Board adoption
 - The committee will introduce to the Board for consideration at next month's meeting
 - Looking at state contracting language

Director Ruiz, on behalf of the Community Affairs Committee, reported:

- The committee met with staff on December 4th and discussed gathering input from the community and initiatives the committee wants to take on
 - Survey to be conducted of the general public regarding diversity issues the public wants to bring to the committee
- Announced a public Zoom committee meeting scheduled for January 20, 2021 at 4:00 p.m. to generate more public input
 - The committee plans to take on the flag issue, diversity, equality and inclusion (at the fairgrounds) to include special cultural days/exhibits/food offerings and entertainment

Director Kovacevich added that with the new format of the committee, the committee is committed to addressing issues in a timely manner. He encouraged everyone to participate in the survey. He stated after gathering input from a broad base of the public and staff the committee will be able to take action.

Vice Chair La Belle, as the Heroes Hall Veterans Foundation (HHVF) Board liaison, reported:

- Consultant Sandy Stone, retained by HHVF to assist with fundraising efforts
- Nick Berardino, foundation President, has been actively moving forward with fundraising activities
 - Modifications to the website to merge data bases and expand outreach
- The foundation board will make a recommendation at the January OCFEC Board meeting for an additional appointment to the HHVF Board

Reggie Mundekis thanked the Board for the new committee structure. She also thanked the Leadership Committee for their work on the equestrian center issues. She discussed how southern California has seen a change in the number and types of equestrian centers and equestrian activities becoming less accessible to many people/groups. She spoke in support of the survey and market research to find a way to build a better equestrian center. She spoke in support of the Community Affairs Committee doing a survey to include more diversity in the OC Fair. She inquired about outreach to OC Chambers of Commerce and different ethnic neighborhoods for participation. She expressed her amusement regarding the flag issue and what the Pride flag means to her.

Cindy Massaro spoke in support of Director Bagneris' vote against the Pride flag being flown year-round and thanked Directors Kovacevich and Ruiz for their commitment to take up the issue. She stated she is looking forward to a resolution.

B. Review of 2019 Audit and Vote on Whether or Not to Approve and File with California Department of Food and Agriculture (CDFA)

Action Item

Item tabled to the January 2021 Board of Directors meeting.

C. Update on 2021 OC Fair Planning

Information Item

CEO Richards provided an update to the Board:

- Summarized a meeting with OC Health Care Agency Director Dr. Chau
 - For the fair to take place, Dr. Chau indicated the goal is for OC community to reach 60-75 percent immunity for mass gatherings to return
 - Dr. Chau believes that by late March they should know if the county is trending in the right direction
 - Projections that everyone in OC will be able to have the vaccine by May/early June

- Fair staff recommends 2021 Fair admission prices to remain the same
 - Fridays to be considered “weekend” rate
- Staff is dual tracking plan for pivoting the fair into vehicle based fair experience if unable to have in-person fair
- Staff working with Spectra on how to contain food and beverage/ dining to specific areas eliminating people walking around without masks on while eating and drinking

Vice Chair La Belle discussed having a “plan C”, pushing the OC Fair dates into September or October.

Director Cervantes, regarding the specific dining areas, asserted the need for a lot of visibility and exposure to let patrons know in advance of these changes.

D. Presentation of CEO’s 2021 Budget Summary Letter

Information Item

CEO Richards presented the 2021 Budget Summary Letter.

Vice Chair La Belle spoke in support of the letter and complimented CEO Richards.

E. Presentation of Anticipated 2021 RFPs and Discuss Whether or Not Board Committee Review is Needed

Action Item

CEO Richards summarized that previously the Board requested all RFPs in the year be reviewed by the appropriate Board committee before they are released. She requested that the Board reconsider this procedure and determine whether or not it is still needed for the list of 2021 RFPs which are mainly operational in nature. She asserted there are certain RFPs for which staff will request the Board’s review due to the complexity or financial impact to the organization, like the carnival RFP.

Board discussion ensued, items discussed:

- Appreciation for exposing the Board and public to the RFP process
- Support for the CEO’s recommendation
- Having consistency in review of RFPs
- RFP list presented to the Board previously: review by the Financial Monitoring Committee and then to the full Board as part of the budget process
- Staff capable of proceeding with operational RFPs
- Board to be involved in “big picture”/larger/policy related RFPs such as the carnival and entertainment RFPs
 - RFPs that have a significant impact on the organization

- Individual Board members can express interest/desire in a particular RFP and work with staff to get comfortable with the RFP

ACTION: Director Cervantes motioned and Director Aitken seconded to approve the recommendation from the CEO that operational RFPs be handled by staff and big picture, policy issue RFPs be addressed by the Board; also if an individual Board member has interest in an RFP, they can reach out the CEO with their input and guidance. **MOTION CARRIED. AYES: Vice Chair La Belle, Director Cervantes, Director Ruiz, Director Bagneris, Director Aitken, Director Pham and Director Kovacevich. NAYES: None. ABSTENTIONS: None.**

11. BOARD OF DIRECTORS MATTERS OF INFORMATION

Director Aitken wished everyone a happy holiday season. She commended staff and Board for being able to pivot, navigate and be creative in a very difficult year.

Director Bagneris wished everyone a safe and happy holiday. She thanked staff for their hard work. She spoke in support of the new Board committee structure.

Director Cervantes wished everyone happy holidays/happy New Year and shared a special thanks to staff for bringing extra joy to people's lives in a trying year.

Director Kovacevich also wished everyone happy holidays. He commended staff and the Board for being able to navigate the budget despite the year's challenges. He shared his confidence in staff and the Board's ability to maximize opportunity in 2021.

Director Pham echoed his fellow Board members sentiments and wished everyone happy holidays.

Director Ruiz also echoed the sentiment as well as thanking CEO Richards and staff for a job well done throughout the year. He encouraged everyone to take the pandemic seriously and wear their masks.

Vice Chair La Belle dittoed everyone's comments. He spoke in support of Director Ruiz's comments to wear a mask and to social distance and to be safe. He thanked staff and the Board for all the hard work in 2020.

12. NEXT BOARD MEETING: JANUARY 28, 2021

13. ADJOURNMENT MOTION TO ADJOURN

The meeting adjourned at 10:49 a.m.



Doug La Belle, Vice Chair



Michèle Richards, Chief Executive Officer